

Memorandum

VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY WATER DIVISION

Larry G. Lawson, P.E., Director

SUBJECT: Guidance Memorandum No. 03-2010
Procedures for Administering Refunds of Water Permit Fees

TO: Regional Directors

FROM: Larry G. Lawson, Water Division Director
Valerie E. Thomson, Acting Director of Administration *RPT for VET*

DATE: April 14, 2003

REFERENCE: State Water Control Law, 62.1-44.15:6; 9-VAC 25-20-10 et. Seq.

COPIES: Deputy Regional Directors, Water Permit Mangers,
Martin Ferguson, Jon Van Soestbergen, Fred Cunningham, Amy Owens,
OWPP Staff, Judy Newcomb

Background:

This Guidance Memorandum sets forth uniform procedures for water permit application fee processing. This policy replaces the Fee Policy procedures for permit application fee collections dated June 6, 2001.

Contact information:

Contact Martin Ferguson at (804) 698-4039 or e-mail at mgferguson@deq.state.va.us should you have questions about this Guidance Memorandum.

Disclaimer:

This document is provided as guidance and, as such, sets forth standard operating procedures for the agency. However, it does not mandate any particular method nor does it prohibit any particular method for the analysis of data, establishment of a wasteload allocation, or establishment of a permit limit. If alternative proposals are made, such proposals should be reviewed and accepted or denied based on their technical adequacy and compliance with appropriate laws and regulations.

Procedures for Administering Refunds of Water Permit Fees

Statement of Procedures

A. Payment Procedures

1. General Information

For purposes of this Guidance Memorandum the term "application" includes Registration Statements for General Permits. Permit application fees must be submitted using the latest Permit Application Fee Form, which can be found on the web at <http://www.deq.state.va.us/pdf/forms/water/feeform02.pdf> . The applicant is to follow the directions on the form; i.e. the original check and fee form are to be sent to Receipts Control at the following address

Department of Environmental Quality
Receipts Control
P. O. Box 10150
Richmond, VA 23240

with a copy of the check and fee form sent to the Regional Office with the application.

Checks and money orders (payable to the Treasurer of Virginia/DEQ) and, in the case of other state agencies, IAT's (as a credit to DEQ) are acceptable forms of payment. No cash is to be accepted.

The Finance Office, upon receipt of a check and fee form, shall process the check, complete the deposit certificate and date information on the fee form, and send the form to the Regional Office.

Should the applicant use an old multi-colored form, the Regional Office may accept it so long as the current correct fee was submitted.

2. Procedures for Interagency accounts (IAT'S)

Regional/CO Permit Program Offices should notify state agencies from who permit application fees are due that an Interagency Transfer (IAT) may be used. State agencies will have the choice of initiating an IAT or paying by check. Should a state agency contact the Regional Office said agency should be directed to the CO Account Receivable Accounting Manager. When paying permit fees via IAT, state agencies must include DEQ's line of coding. See Attachment A for the appropriate coding for fees. A copy of the processed IAT and a copy of the fee form should be sent to DEQ Receipts Control. Payment is not considered

received until the IAT is posted to the DEQ CARS 401 weekly report, a copy of the processed IAT and a copy of the fee form are received by DEQ.

3. Checks received by Regional/CO permit program office

On occasion the applicant will deliver a payment directly to a Regional/CO Permit Office. When an original check for an application fee is received in a Regional/CO Permit Office, the check should be logged into the office's checks received log. These payments along with the ORIGINAL fee form should be sent daily to the CO Finance Office in order to expedite permit processing.

Regional Offices outside the Richmond area should send checks to Finance via a traceable delivery, courier, messenger service, such as Federal Express or by mail (using a blue security bag). Regional/CO Permit Program Offices in the Richmond area can use DEQ's internal delivery service to send checks to Finance.

Once checks have been received and deposited, Finance will indicate the deposit number and date on the receipts transmittal log which is filed in the Finance Office and return a copy of this log to the Regional/CO Permit Program Office. This will serve as a supporting document to the original log in the Regional/CO Permit Program Office that the checks were received in Finance and deposited.

B. Determining Fee Amounts

1. General Information

In order for the application to be considered complete the permit application fees are due on the day an application is submitted and must accompany the application fee form. The regulation 9 VAC 25-20-10 et Seq. stipulates the permit application fee required for each category of water permits issued. Within 14 days (for all permits except VWP which is 30 days) after receipt of a complete application, DEQ permit staff shall evaluate fee applicability. This applicability evaluation shall include: 1) whether the proposed activity requires coverage by a permit; 2) what specific permit coverage is required; and 3) whether the appropriate application fee has been received. If during the preparation of the draft permit it is determined that the status of the application has changed, for example from a minor to a major, the revised fee shall be required and must be submitted prior to the public notice of the permit.

For registration for general permit coverage, Regional/CO Permit Offices will advise registrants of the fee due. The fee is determined based on the application receipt date.

For VWP Permits, once the Joint Permit Application has been reviewed, program

staff will determine which VWP individual permit category the project will fall into or whether issuance of an individual permit will be waived. The applicant will be notified of the fee due by additional information request letter.

2. Deficiency letters

Each Regional/CO Permit Program Office will be responsible for generating deficiency letters when permit application fees are not paid in full or when a check is returned by the bank for insufficient funds. It is the CO Finance Office's responsibility to notify the program office when a check has been returned by the bank due to insufficient funds. The program office must notify the applicant of the check's return, the proper fee, and balance due by deficiency letter. The Regional Office shall provide a copy of the original fee form, with the DC#, to the applicant for use when submitting the additional fees. The applicant is to note the changes on the original fee form, then return the corrected fee form and the additional payment to DEQ Receipts Control, with copies to the program office. Copies of deficiency letters pertaining to permit fees should be sent to the Finance Office to identify incorrect payments received from applicants. Such deficiency letters should state that the application was deemed incomplete and processing will not resume until the proper fee is remitted. For permit reissuances, insufficient payment should be handled via Enforcement the same as with any other application deficiency. The deficiency letter should direct payments to DEQ Receipts Control.

3. Revenue Refunds

During the permit application review phase if there is a determination that the amount paid is greater than the correct application fee, then a refund memo must be initiated by the Regional/CO Permit Program Office. The following examples are the only cases where DEQ will process a full or partial refund of permit fees:

- a) the general permit fee is determined to be less than the amount paid based on the remaining term of the permit (See [use web site, since this info changes fairly often] for general permit fee schedules);
- b) an incorrect fee amount is determined during the permit application review, including duplicate payments, no application submitted with fee, a minor permit modification which requires no fee, or a General Permit which has no required fee;
- c) application review indicates industrial facility is in a fee category other than what paid fee represents (e.g.: facility paid for a major, but rating sheet says that the source is a minor; or paid for a minor without standard limits but qualifies for minor with standard limits).

d) the application / registration is withdrawn within 90 days of receipt
AND prior to being deemed administratively complete.

Refund requests may only be initiated for permit fees received within the past 90 days. Should the 90 day period be exceeded, the Region / Central Office may submit a refund request with documentation. Consideration for refund will be made on a case by case bases.

A refund of a permit fee must be initiated via the form included as Attachment B. This form must be completed and signed by a person in a position with delegated permit issuance and approval authority, and sent to the DEQ Accounts Receivable Accounting Manager. A copy of the fee form, which identifies the payment and date of deposit must be attached to the refund memo. Revenue refund requests will be sent to the Water Permit Fee Fund Manager, who will review the request and approve or deny the request.

Once the request has been received, reviewed, and approved by the Water Permit Fee Fund Manager, the Finance staff will process the revenue refund and maintain the supporting documentation from the Regional/CO Permit Program Office. Refund requests that are not approved will be sent back to the requesting office.

C. Reporting and Reconciling

1. Finance Office Procedures

The Finance Office will be responsible for recording all checks received in a receipts transmittal log and making deposits on a daily basis. The deposit number and date will be noted on each receipts transmittal log and this information will be used to enter the deposits into the Commonwealth Accounting and Reporting System (CARS).

The Finance staff will distribute a copy of the check and a copy of the permit application fee form to the appropriate Regional/CO Permit Program Offices daily. A copy of the application fee form will note the deposit number and date. The Finance staff will distribute copies of revenue refund transaction vouchers to the Regional/CO Permit Program Offices as refunds are processed.

2. Reconciliation Procedures

The Finance Office will be responsible for reconciling daily deposits to the weekly CARS reports. The Finance Office will be responsible for reconciling the receipts transmittal log maintained in the Finance Office to revenues reported in the monthly CARS reports. The Finance staff will also be responsible for

verifying accuracy of revenue refunds on the weekly and monthly CARS reports.

Each Regional/CO Permit Program Office must work with the Finance staff to reconcile fee receipts monthly. Each Regional/CO Permit Program Office must ensure that checks received directly by the Regional/CO Permit Program Office were received and deposited by the Finance Office. This can be accomplished by comparing the copies of the receipts transmittal log distributed by Finance that include deposit numbers and dates with the checks received log maintained in each individual office.

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ATTACHMENT A

To: Agencies and Institutions of the Commonwealth of Virginia

From: Valerie E. Thomson
Fiscal Director

Subject: Permit Fees Payable to the Department of Environmental Quality

Permit or Registration Fees which are due to the Department of Environmental Quality (DEQ) from state agencies may be paid by check or Interagency Transfers (IAT). A copy of the processed IAT water permit application fee form, the AST registration form, or Title V remittance invoice should be sent to DEQ Receipts Control, P.O. Box 10150, Richmond, VA. 23240. The appropriate lines of coding for DEQ fees are:

WATER PERMIT FEES:

<u>Trans</u>	<u>Agency</u>	<u>Cost Code</u>	<u>Fund/Detail</u>	<u>Revenue Source</u>
136	440	See below	0914	02401

Note: Please include 4 digit Permit fee form number in the CARS **Inv-No Field**
Please include Permit number in the CARS **DES Field**

AIR TITLE V PERMIT FEES:

<u>Trans</u>	<u>Agency</u>	<u>Cost Code</u>	<u>Fund/Detail</u>	<u>Revenue Source</u>
136	440	See below	0510	02100

Note: Please include 5 digit Registration/Account Number in the CARS **DES Field**

ABOVEGROUND STORAGE TANK REGISTRATION FEES:

<u>Trans</u>	<u>Agency</u>	<u>Cost Code</u>	<u>Fund/Detail</u>	<u>Revenue Source</u>	<u>Project</u>
136	440	611	0748	02708	70325

COST CODES

DEQ cost codes correspond with the DEQ regional or central office that will process the permit:

- 603-Central Office Water Permitting
- 701-South West Regional Office
- 704-West Central Regional Office
- 707-South Central Regional Office
- 710-Tidewater Regional Office
- 713-Piedmont Regional Office (includes Kilmarnock satellite office)
- 716-Northern Regional Office (includes Fredericksburg satellite office)
- 719-Valley Regional Office

ATTACHMENT B

SUBJECT: Permit Fee Refund Request
TO: DEQ Accounts Receivable Accounting Manager
FROM: Deputy Regional Director
DATE:

Name of source that made the original payment: _____

Permit Number of source that made the original request: _____

Permit Type: _____

Name and address of the source to which a refund should be made payable:

Federal identification number of the source to whom the refund should be made: _____

DEQ deposit certificate (DC) number and date of the original payment:

DC Number: _____ DATE: _____

Amount of original payment: _____

Amount recommended to be refunded: _____

Date application or registration form received: _____

Basis for the proposed refund: [check at least one of the following and explain in detail why a refund is appropriate in an attached Memorandum with copies of the check and Fee Form from applicant. All requests that are incomplete will be disapproved and returned.]

_____ the General permit fee is determined to be less than the amount paid.

_____ an incorrect fee amount is determined during the 90 day application review.

_____ a duplicate payment was made. Copies of all payments and fee forms must accompany the refund request.

_____ no application submitted with fee.

_____ the General permit has no required fee.

_____ the application was withdrawn within 90 days of application receipt date.

_____ other: explain in Memorandum

Attachments: Memorandum
Copy of Fee Form
Copy of Check

For Fee Fund Manager Only:

Approved: _____

Disapproved: _____

Date: _____